

1 THE HONORABLE JOHN C. COUGHENOUR  
2

3 TERRY R. MILLER (CO Bar No. 39007)  
4 Email: MillerTe@sec.gov

5 LESLIE J. HUGHES (CO Bar No. 15043)  
6 Email: HughesLj@sec.gov

7 Attorneys for Plaintiff  
8 Securities and Exchange Commission  
9 Denver Regional Office  
10 1961 Stout Street, Suite 1700  
11 Denver, Colorado 80294  
12 Telephone: (303) 844-1000

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14 UNITED STATES DISTRICT COURT  
15 WESTERN DISTRICT OF WASHINGTON  
16

17 UNITED STATES SECURITIES AND  
18 EXCHANGE COMMISSION,

19 v.  
20 Plaintiff,

21 RONALD A. FOSSUM, JR. and  
22 ALONZO R. CAHOON,

23 Defendants.

24 Case No.: 2:17-cv-01894-JCC

25 **AGREED MOTION FOR FINAL  
JUDGMENT AS TO DEFENDANT  
RONALD A. FOSSUM**

26 **Note for Consideration:  
June 1, 2018**

27 Plaintiff the United States Securities and Exchange Commission (“SEC”)  
28 submits this agreed motion requesting that the Court enter judgment of permanent  
injunction against Defendant Ronald A. Fossum, Jr. (“Fossum”), pursuant to Fed.  
R. Civ. P. 65(d), and order him to pay disgorgement, prejudgment and post  
judgment interest, and a civil penalty. This agreed motion is submitted based upon

1 Mr. Fossum's Consent, which is filed with this motion. Mr. Fossum agreed in  
 2 paragraph 14 of his Consent that the SEC may present this motion, his Consent,  
 3 and the proposed final judgment to the Court without further notice. Undersigned  
 4 counsel conferred with Mr. Fossum's attorney by telephone on May 31, 2018, and  
 5 he has no objection to the SEC submitting the motion for entry of final judgment  
 6 against Mr. Fossum.

9 The SEC filed its Complaint in this matter on December 19, 2017 [ECF No.  
 10 1]. The SEC alleged that in connection with his sale of securities to investors, Mr.  
 11 Fossum engaged in various violations of the federal securities laws, including the  
 12 securities registration, anti-fraud, broker-dealer registration and the prohibited  
 13 transactions by an investment adviser contained in Sections 5(a), 5(c) and 17(a) of  
 14 the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e(a), 77e(c) and  
 15 77q(a)]; Sections 10(b) and 15(a) of the Securities Exchange Act of 1934  
 16 ("Exchange Act") and Rule 10b-5 thereunder [15 U.S.C. § 78j(b) and 17 C.F.R. §  
 17 240.10b-5]; and Sections 206(1) and (2) of the Investment Advisers Act of 1940  
 18 ("Advisers Act") [15 U.S.C. § 80b-6(1) and (2)].

22 Mr. Fossum was served with the summons and Complaint on January 18,  
 23 2018 [ECF No. 7].

25 On April 16, 2018, Mr. Fossum signed the attached Consent in which he  
 26 admits to the Court's jurisdiction over him and the subject matter of this action and  
 27

1 agrees to entry of the proposed Final Judgment that is submitted with this motion.  
2 Without admitting or denying the allegations of the Complaint, Mr. Fossum  
3 consented to entry of a permanent injunction that prohibits him from violating  
4 Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 (“Securities Act”) [15  
5 U.S.C. §§ 77e(a), 77e(c) and 77q(a)]; Sections 10(b) and 15(a) of the Securities  
6 Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder [15 U.S.C. §  
7 78j(b) and 17 C.F.R. § 240.10b-5]; and Sections 206(1) and (2) of the Investment  
8 Advisers Act of 1940 (“Advisers Act”) [15 U.S.C. § 80b-6(1) and (2)], and  
9 permanently restrains and enjoins him from, directly or indirectly, including, but  
10 not limited to, through any entity owned or controlled by the Defendant,  
11 participating in the issuance, purchase, offer, or sale of any security; provided,  
12 however, that such injunction shall not prevent the Defendant from purchasing or  
13 selling securities for his own personal account.

14 In addition, Mr. Fossum consented to entry of an order requiring him to pay  
15 disgorgement in the amount of \$840,729.42, plus prejudgment interest thereon in  
16 the amount of \$110,823.04; and a civil penalty in the amount of \$320,000 under  
17 Section 20(d)(1) of the Securities Act, Section 21(d)(3)(A) of the Exchange Act,  
18 and Section 209(e) of the Advisers Act [15 U.S.C. §§ 77t(d)(1), 78u(d)(3)(A), and  
19 80b-9(e)].

1 Mr. Fossum waived findings of fact and conclusions of law pursuant to Fed.  
2 R. Civ. P. 52. He also waived the right to a jury trial, and to appeal from the entry  
3 of the Final Judgment. The proposed Final Judgment resolves all issues related to  
4 Mr. Fossum. Although the SEC continues to pursue its claims against the second  
5 defendant, Alonzo Cahoon, the SEC requests that the Court enter Final Judgment  
6 against Mr. Fossum under Fed. R. Civ. P. 54(b) as there is no just reason to delay.  
7  
8

9 The SEC respectfully requests that the Court enter the proposed Final  
10 Judgment As To Defendant Ronald A. Fossum, Jr.  
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13 Dated: June 1, 2018  
14  
15 By: /s/ Leslie J. Hughes  
16 Leslie J. Hughes (Co. Bar No. 15043)  
17 Terry R. Miller (Co. Bar No. 39007)  
18 Attorneys for Plaintiff  
19 Securities and Exchange Commission  
20 1961 Stout Street, Suite 1700  
21 Denver, Colorado 80294  
22 Telephone: (303) 844-1000  
23 Email: millerte@sec.gov  
24 hugheslj@sec.gov  
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26  
27  
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## CERTIFICATE OF SERVICE

I hereby certify that on June 1, 2018, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system. I have sent the foregoing by the following means to the defendants, as follows:

Laurence J. Pino, Esq.  
Pino Nicholson, PLLC  
P.O. Box 1511,  
Orlando, FL 32802-1511  
[lip@PinoNicholsonLaw.com](mailto:lip@PinoNicholsonLaw.com)

*Attorney for Defendant Ronald A. Fossum, Jr.*

By U.S. Mail and Email

James E. Magleby, Esq.  
Magleby Cataxinos Greenwood  
170 South Main Street, Suite 1100  
Salt Lake City, UT 84101  
[magleby@mciplaw.com](mailto:magleby@mciplaw.com)

magney@magneylaw.com  
Attorney for Defendant Alonzo R. Cahoon

By U.S. Mail and Email

By: s/ *Elinor E. Blomgren*

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Elinor E. Blomgren